

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 97-224-C - ORDER NO. 97-804  
OCTOBER 13, 1997

IN RE: Application of United Telephone                    )  
Company of the Carolinas for a Certi-                    )  
ficate of Public Convenience and                        )  
Necessity to Operate as a Reseller of                   )  
Intrastate Telecommunications Services                  )  
within the State of South Carolina.                    )

ORDER  
APPROVING  
CERTIFICATE

This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Motion to Waive Hearing and the Application of United Telephone Company of the Carolinas ("United" or the "Company") requesting a Certificate of Public Convenience and Necessity authorizing it to provide intrastate telecommunications services in the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1996), S.C. Code Ann. §58-9-520 (Supp. 1996), and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed United to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of United's Application and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. United

complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. No Petitions to Intervene were received by the Commission regarding United's Application.

Accordingly, United filed a Motion to Waive the hearing in this matter. Attached to the Motion is the verified testimony of Don O. Horton, which supports United's Application. Since no one intervened in the present case, we believe that we may consider the matter based on the verified testimony of Horton and the filed Application, and consider these the "hearing" in this matter. The Motion to Waive the usual hearing is granted. However, we believe that a discussion of the facts and law in this case is beneficial.

The record reveals that United is a corporation which is authorized to do business in South Carolina as a local exchange carrier (LEC), and intraLATA long distance carrier. Mr. Horton explained the Company's request for authority to provide interexchange telecommunications services in South Carolina. The record reveals the Company's services, operations and marketing procedures. Mr. Horton offered that United's services are highly competitive and will provide South Carolina consumers increased variety of choice in addition to economical rates.

Further, Mr. Horton offered that United possesses the technical, financial and managerial abilities to provide its long distance interLATA services in South Carolina. Mr. Horton noted that the Company would operate in accordance with the Commission rules, regulations, guidelines, and prior Commission Orders.

After full consideration of the applicable law, the Company's Application, and the verified testimony of Don Horton, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. United is authorized to do business as a local exchange carrier in the State of South Carolina, and as an intraLATA interexchange carrier (IXC).

2. United will operate as a facilities-based carrier and non-facilities-based reseller of interexchange services and wishes to provide its services in South Carolina.

3. United has the experience, capability, and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to United to provide intrastate interLATA service, as set forth herein, through the sale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized by tariff, and through the use of its own facilities.

2. The Commission adopts a rate design for United for its services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has

been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. United shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. United shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1996).

4. United shall file its revised tariff, setting forth its schedule of maximum rates and an accompanying price list, within thirty (30) days from the date of receipt of this Order. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.

5. United is subject to access charges.

6. With regard to the Company's authority to provide telecommunications services, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

7. United shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

8. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests and repairs. In addition, the Company shall provide to the Commission in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours.

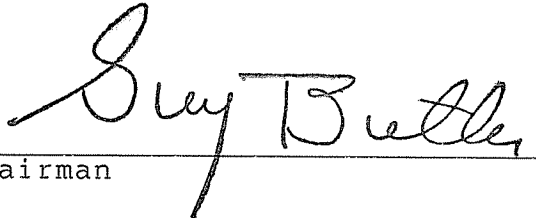
United shall file the names, addresses and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. Attachment B shall be utilized for the provision of this information to the Commission. Further, United shall promptly notify the Commission in writing if the representatives are replaced, and the Company is directed to comply with the Commission regulations unless waived by the Commission.

9. With regard to its resale function, United shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If

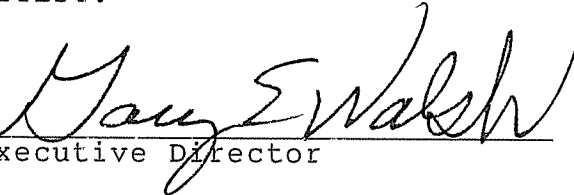
United changes underlying carriers, it shall notify the Commission in writing.

10. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Deputy Executive Director

(SEAL)

DOCKET NO. 97-224-C - ORDER NO. 97-804  
OCTOBER 13, 1997  
ATTACHMENT A

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ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS  
FOR INTEREXCHANGE COMPANIES AND AOS'S

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COMPANY NAME

---

FEI NO.

---

ADDRESS

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CITY, STATE, ZIP CODE

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PHONE NUMBER

- (1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS\* FOR 12  
MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- \* THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,  
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION  
WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX,  
CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.
- (4) PARENT'S CAPITAL STRUCTURE\* AT DECEMBER 31 OR FISCAL YEAR  
ENDING \_\_\_\_\_.
- \* THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION  
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.
- (5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND  
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.
- (6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE  
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS  
WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT  
(SEE #3 ABOVE).

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SIGNATURE

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NAME (PLEASE TYPE OF PRINT)

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TITLE

DOCKET NO. 97-224-C - ORDER NO. 97-804  
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ATTACHMENT B

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INFORMATION OF THE AUTHORIZED UTILITY REPRESENTATIVES  
FOR INTEREXCHANGE, LOCAL AND AOS COMPANIES

PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION  
REGULATION 103-612.2.4(b), each utility shall file and  
maintain with the Commission the name, title, address, and  
telephone number of the persons who should be contacted in  
connection with Customer Relations/Complaints.

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Company Name/DBA Name

---

Business Address

---

City, State, Zip Code

---

Authorized Utility Representative (Please Print or Type)

---

Telephone Number

---

Fax Number

---

E-Mail Address

---

This form was completed by

---

Signature

If you have any questions, contact the Consumer Services  
Department at 803-737-5230